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C O N F I D E N T I A L SECTION 01 OF 02 VIENTIANE 000525

SIPDIS

STATE FOR EAP DAS/AMBASSADOR SCOT MARCIEL  
STATE FOR EAP/MLS EMERY  
BANGKOK FOR REO HOWARD  
PACOM FOR POLAD

E.O. 12958: DECL: 09/22/2018  
TAGS: [PREL](#) [SNAR](#) [SENV](#) [MARR](#) [LA](#)  
SUBJECT: AMBASSADOR MARCIEL'S VISIT HIGHLIGHTS WARMER  
LAO-U.S. TIES

REF: 07 VIENTIANE 801

Classified By: DEPUTY CHIEF OF MISSION PETER M. HAYMOND FOR REASONS 1.4  
(B) AND (D).

11. (C) Summary: Senior Lao foreign affairs, defense and law enforcement officials confirmed to EAP DAS Ambassador Scot Marciel their interest in expanding bilateral cooperation. Lao Commission for Drug Control and Supervision (LCDC) Chairman Soubanh Srithirath hailed a new spirit of results-oriented bilateral counter narcotics cooperation. Vice Foreign Minister Phongsavath acknowledged the international community's interest in access to Hmong returnees from Thailand and suggested the Lao would take further steps towards transparency, including visits by diplomats to resettlement villages. He also raised again the U.S. ban on Eximbank financing to Laos (see reftel). Ministry of National Defense Brigadier General Sisophonh praised recent progress in mil-to-mil engagement and advised that Colonel Kenkeo Pholsena, currently the Lao defense attach in Beijing, will be the new Lao defense attach in Washington. End Summary.

#### Moving Out of Stalemate in CN Law Enforcement Cooperation

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12. (C) EAP DAS Scot Marciel visited Vientiane September 16 and 17. Together with Ambassador, he met with Minister to the President, Soubanh Srithirath, Chairman of the Lao National Committee for Drug Control and Supervision (LCDC). Minister Soubanh lamented what he called "an atmosphere of stalemate" in bilateral counter narcotics work in the past, but proceeded to hail a new spirit of results-oriented cooperation. He proudly briefed DAS Marciel on an ongoing joint DEA-Lao counter narcotics operation dealing with a heroin and cocaine trafficking network extending from Latin America, through the U.S. to Southeast Asia. (Comment: This case (see septel) represents an unprecedented level of cooperation between DEA and the Lao police. End comment). Following the meeting, Ambassador and Minister Soubanh signed the FY2008 Letter of Agreement for INL assistance. The signing ceremony was featured prominently in Lao media the next day.

#### Pulling the Region Together to Manage the Mekong

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13. (U) DAS Marciel then met with CEO of the Mekong River Commission Jeremy Bird to express the U.S. desire to increase its regional and subregional engagement. Bird discussed the MRC's plans to significantly expand its work on sustainable hydropower, noting the MRC intended to "put meat" on its 1991 hydropower plan. In addition to facilitating regional dialogue, the MRC hopes to work with

developers to provide expertise in areas such as cumulative environmental and fisheries impacts of planned dams. (Note: The MRC is holding a regional conference to discuss its hydropower plan September 25-27. USAID and a number of Army Corps of Engineer experts will attend. End Note.) Bird discussed the MRC's information sharing with China, noting the MRC works directly with the Yunnanese authorities on water level information and indicating that the new Chinese dams on the upper Mekong have made mainstream dams in Laos cost effective and feasible. According to Bird, the new Chinese dams are expected to raise the dry season water level on the stretch of the Mekong from Luang Prabang to Vientiane by 40 percent.

Hmong, ExIm Bank and MFA

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14. (C) On September 17, DAS Marciel and Ambassador met with Vice Foreign Minister (VFM) Phongsavath Boupha. VFM Phongsavath affirmed the GOL's desire for a step-by-step expansion of cooperation. Ambassador raised recent steps taken by the Lao Government to increase transparency regarding the treatment of Hmong repatriated from Thailand. DAS Marciel and Ambassador pressed the VFM to consider additional steps that would give members of the international community access to Hmong returnees, pointing out that independent access was important if the Lao Government wished to dispel concerns and allegations of mistreatment. VFM Phongsavath advised that the Lao Government was considering further steps, to include a trip by ambassadors and international organization representatives to visit some of the repatriated Hmong. During a discussion of economic opportunities for U.S. business, the VFM again raised the

VIENTIANE 00000525 002 OF 002

issue of prohibitions on Eximbank financing for US exports to Laos (see reftel). He cited this as an inappropriate hold-over from a period when relations were very different. DAS Marciel agreed to explore this issue on his return to Washington.

New Lao Defense Attache Identified

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15. (C) At the Ministry of National Defense (MND), Permanent Secretary Brigadier General Sisophonh Bangonesengdet (who has been nominated to attend the 11th CHOD conference) told DAS Marciel that Colonel Kenkeo Pholsena, currently the Lao defense attache in China, will be assigned as the new Lao defense attache in Washington (see bio note below). BG Sisophonh said repeatedly that MND welcomes closer relations with the U.S. military and is seeking training, particularly English language and medical training. He stressed the importance of trust in the relationship, saying "if the persons understand each other, the work will go forward."

Lunch with MFA Spokesman

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16. (C) DAS Marciel and Ambassador also had an informal lunch with MFA Spokesman and GOL point-man on Hmong issues, Yong Chanthalangsy. In a frank and informative discussion, Yong agreed that it was in the Lao interest to provide the international community with accurate information regarding the treatment of Hmong returned from Thailand. However, he continued to hold to the Lao position that a formal international monitoring program -- as was done in the past -- is no longer relevant or acceptable. He said he would continue to seek opportunities to allow the international community some access, and confirmed that he had invited a Bangkok-based UNHCR officer to visit a resettlement village for returnees who could not be reintegrated into their original communities.

17. (SBU) Bio Note: Colonel Kenkeo Pholsena is a son of former Lao Foreign Minister Kinin Pholsena, who was assassinated in 1963. Prior to his assignment in Beijing, COL. Kenkeo served as defense attach in Burma and Indonesia.

His siblings include Minister of Public Works and Transport Sommad Pholsena, Minister for Economic Cooperation in the Greater Mekong Subregion Khempeng Pholsena, and Vice Commerce Minister Khemmani Pholsena. According to BG Sisophonh, COL. Kenkeo speaks Chinese, Russian, French and English. COL. Kenkeo is a trained physician.

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